

Set 1

9/14/87
MRD
B. Weinstein

| | Industry | P.M. | | R.J.R. | |
|--|----------|-------|-------|--------|-------|
| | Sales | Sales | Share | Sales | Share |

Scenario 1: P.M. meets 3rd Quarter 1987 Forecast,
R.J.R. matches 3rd Quarter 1986 Volume.

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|----------------|------------------|------------------|----------------|------------------|----------------|
| 3rd Qtr. 1987: | 134,005 -2.4% | 52,079 -0.8% | 38.86 +0.66 | 44,462 0.0% | 33.18 +0.80 |
| Load | 9,261 | 2,848 | | 6,413 | |
| 1st 9 months: | 408,242 -2.4% | 153,351 +0.2% | 37.56 +1.00 | 135,818 -0.2% | 33.27 +0.76 |

Scenario 2: P.M. misses 3rd Quarter 1987 by 500 million,
R.J.R. matches 3rd Quarter 1986 Volume.

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|----------------|------------------|------------------|----------------|------------------|----------------|
| 3rd Qtr. 1987: | 133,505 -2.8% | 51,579 -1.8% | 38.63 +0.40 | 44,462 0.0% | 33.30 +0.92 |
| Load | 8,761 | 2,348 | | 6,413 | |
| 1st 9 months: | 407,742 -2.6% | 152,851 -0.1% | 37.49 +0.93 | 135,818 -0.2% | 33.31 +0.80 |

Scenario 3: P.M. misses 3rd Quarter 1987 by 1 billion,
R.J.R. matches 3rd Quarter 1986 Volume.

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|----------------|------------------|------------------|----------------|------------------|----------------|
| 3rd Qtr. 1987: | 133,005 -3.2% | 51,079 -2.7% | 38.40 +0.17 | 44,462 0.0% | 33.43 +1.05 |
| Load | 8,261 | 1,848 | | 6,413 | |
| 1st 9 months: | 407,242 -2.7% | 152,351 -0.4% | 37.41 +0.85 | 135,818 -0.2% | 33.35 +0.84 |

Scenario 4: P.M. misses 3rd Quarter 1987 by 1.5 billion,
R.J.R. matches 3rd Quarter 1986 Volume.

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|----------------|------------------|------------------|----------------|------------------|----------------|
| 3rd Qtr. 1987: | 132,505 -3.5% | 50,579 -3.7% | 38.17 -.06 | 44,462 0.0% | 33.55 +1.17 |
| Load | 7,761 | 1,348 | | 6,413 | |
| 1st 9 months: | 406,742 -2.8% | 151,851 -0.8% | 37.33 +0.77 | 135,818 -0.2% | 33.39 +0.88 |

Scenario 5: P.M. exceeds 3rd Quarter 1987 by 300 million,
R.J.R. matches 3rd Quarter 1986 Volume.

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|----------------|------------------|-----------------|----------------|------------------|---------------|
| 3rd Qtr. 1987: | 134,305 -2.2% | 52,379 -0.2% | 39.00 +.77 | 44,462 0.0% | 33.11 +.72 |
| Load | 9,561 | 3,148 | | 6,413 | |
| 1st 9 months: | 408,542 -2.4% | 153,651 0.4% | 37.61 +1.05 | 135,818 -0.2% | 33.24 +.73 |

Scenario 6: P.M. exceeds 3rd Quarter 1987 by 300 million,
R.J.R. matches 1st 9 months 1986.

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| 3rd Qtr. 1987: | 134,512 -2.1% | 52,379 -0.2% | 38.94 +.71 | 44,669 +0.5% | 33.21 +.83 |
| Load | 9,768 | 3,148 | | 6,620 | |
| 1st 9 months: | 408,749 -2.3% | 153,651 +0.4% | 37.59 +1.03 | 136,025 0.0% | 33.28 +.77 |

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